

Wanganui District Council Meeting – 21 June 2011

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UNCONFIRMED

Minutes of the Meeting of the Wanganui District Council held at 1.30PM on Tuesday, 21 June 2011, in the Council Chamber, Municipal Office Building, 101 Guyton Street, Wanganui

Present: Ms Annette Main – the Mayor – in the Chair, Cr RM Wills – Deputy Mayor, Crs AR Anderson, P Baker-Hogan, R Dahya, NA Higgie, MB Laws, HCS McDouall, C Solomon, RM Stevens, RV Vinsen and SM Westwood.

Apologies: Cr JT Bullock and Mr A Taylor (Chairman, Wanganui Rural Community Board.

Officers in Attendance: Mr K Ross (Chief Executive), Mr J Harkness (Deputy Chief Executive), Mr J Reweti (Infrastructure Manager), Ms S Patrick (Community and Cultural Manager), Ms C Almond (Strategy and Development Manager), Mr R McGregor (Property Manager), Mr S Hylton (Senior Policy Advisor), Ms S Dudman (Communications Co-ordinator). Secretary: Mrs H Couper (Governance Services Officer).

Apologies

Council's Resolution

Proposed by Mayor Main, seconded by Cr Stevens:

THAT the apologies from Cr Jack Bullock and Mr Alan Taylor be received.

CARRIED

1. Confirmation of Minutes

1. Minutes of the meeting of the Council held on 19 May 2011 (**Ref A**).
2. Minutes of the meeting of the Council held on 26 May 2011 (**Ref B**).

Council's Resolution

Proposed by Cr Anderson, seconded by Cr Stevens:

1.1 THAT the minutes of the meeting of the Council held on 19 May 2011 be confirmed.

1.2 THAT the minutes of the meeting of the Council held on 26 May 2011 be confirmed.

CARRIED

Cr Laws joined the meeting at 1.33pm.

2. Adoption of the Council's 2011/12 Annual Plan

Policy on Determining Significance – The decision to adopt the 2011/12 Annual Plan is significant and has, therefore, been through a public consultation process as required under the Local Government Act 2002.

Stuart Hylton, Senior Policy Advisor, reports:

“Purpose

The purpose of this item is for the Council to formally adopt the 2011/12 Annual Plan.

Background

The proposed draft Annual Plan 2011/12 was developed following successive workshops held by the Council in January/February 2011. The Plan was released for public consultation from 30 March to 2 May 2011.

On 19 May and 23 May 2011 submitters to the Draft Annual Plan 2011/12 had the opportunity to present oral submissions to the Council. There were fifty (50) out of the two hundred and fourteen (214) total submitters to the draft Annual Plan 2011/12 who were heard.

On 26 May 2011 all submissions were considered and the Council made a series of resolutions that are contained in the minutes.

The Council's officers have applied these decisions in the development of the final Annual Plan 2011/12 which will be distributed to Elected members prior to the meeting. A list of the consequential changes made to the Annual Plan is tabled (**Ref C**). The Council is required to adopt the Annual Plan before 1 July 2011.”

References – Agenda Attachments

C List of changes

Stuart Hylton, Senior Policy Advisor, tabled further minor changes required to the proposed 2011/12 Annual Plan:

“1. Executive Summary – Heads Road Intersection (Pg 8):

As the draft Annual Plan attracted over 124 submissions in relation to the Heads Road/ Beach Road/ Prince Street Intersection safety concern, its worth documenting the Council's intentions over the 2011/12 year. The following paragraph is suggested as an insertion on Page 8 –

Heads Road Intersection

The Heads Road/Beach Road/Prince Street intersection is considered by local industry and business to need traffic flow and safety improvement. Traffic flows, particularly large vehicle and local business, has shown an increase and initial investigations indicate increasing volumes of traffic is likely over time. The recent reopening of the Castlecliff railway line for freight cartage coupled with local business concern attracted 124 submissions to Council's annual plan process. The submissions focussed on the need for a roundabout as a solution to the issues.

In order to manage the issue in this Annual Plan and in particular to mitigate safety concerns, Council has resolved to assess a range of interim options, discuss with businesses, and implement those that achieve a desirable outcome. Those assessments include but are not limited to:

- Traffic calming prior to the intersection
- Static signage to alert road users
- Electronic speed signs
- Truck crossing electronic activation signs
- Road markings
- Lobbying Kiwi Rail for bells and lights
- Cycle texture road markings
- Mitigation options by businesses

In addition, the Council, in this Annual Plan, resolved to complete the detailed design of a major roundabout incorporating the integrated requirements of rail. This design would be used, in conjunction with the projected traffic growth predictions for this area, in an application to NZTA in order to establish the level of NZTA funding subsidy. This will provide Council with the information for its consideration of the roundabout as a project in the Council's development of its 10 year plan.

2. **Executive Summary – Riverfront Development (Pg 8):**
Under Riverfront development, third bullet point, change the word 'subsidising' to 'assisting with'.
3. **Executive Summary – Broadband (Pg 8):**
Under Broadband heading change first sentence to read – 'The Council goal is to aim towards securing close to 100% broadband connectivity for the Wanganui community, as possible.'
4. **Executive Summary – Natural Disasters and Emergency Preparedness (Pg 9):**
In last sentence change to read – 'Within this plan is increased insurance costs of \$200,000 to continue.....'
5. **Executive Summary – Fees and Charges (Pg 11):**
In the first sentence after the word reflect, alter the rest of the sentence to read – 'the true costs of this service that are currently not being recovered'.
6. **Executive Summary – Corporate and Governance (Pg 11):**
This sentence is changed to read – 'A \$50,000 reorganisation of the first floor offices at 101 Guyton Street has been excluded from this plan as the work can now be undertaken within the 2010/11 budget.'
7. **Executive Summary – Demographics (Pg 12):**
Change the words declining population to read 'static population.....'
8. **Executive Summary – Rates for 2011/12 (Pg 13/14):**
Change Farming dollar rate increase from \$1,234 to \$123."

Cr Baker-Hogan joined the meeting at 1.34pm.

Discussion

Cr Vinsen noted page 109 of the Annual Plan incorrectly referred to page 16 instead of page 18. He found that by comparing the collection of rates for 2010/11 and 2011/12, the increase was 5.46%, not 4.9%, and asked for clarification.

Julian Harkness said quoted rate increases were to existing ratepayers. These were calculated by comparing what the existing ratepayer currently paid and what they would pay after the Annual Plan. The difference between the rate increase to existing ratepayers (4.9%) and the 5.6% increase was due to new ratepayers and ratepayers who had made additions to their property. If a new house was built on vacant land the Council received more rates. Each year between \$200,000-\$300,000 was funded by new ratepayers.

Cr Vinsen, referring to Horizons Regional Council stating that 2.2% of its rates increase was due to the increase in GST, asked for clarification why that did not apply to Wanganui District Council's increase. Julian Harkness explained that because Horizons Regional Council sent out its rates invoice before GST increased on 1 October 2010, this year its ratepayers had to pay an additional 2.5%. Cr Vinsen said the Council last year encouraged its ratepayers to pay in full prior to 1 October 2010 to save on GST, therefore those who did so would, this year, have a higher increase than those who did not. Julian Harkness said this would be explained to them.

Cr Westwood referred to the graph on page 13 which indicated approximately \$60.00 for the Sea port per rateable property of the Annual Plan, and page 84 where the Seaport showed no input of rates. Julian Harkness explained that the graph on page 13 was based on expenditure, and on page 84 was based on rates.

Cr Westwood, referring to indebtedness on page 15, thought what the Council was paying on its loans was not clearly identified. Julian Harkness said this was not in the Executive Summary, however it could be explained there if that was the Council's wish.

Cr Anderson expressed concern about intergenerational equity and took the view that deferred maintenance was debt and this matter should be considered within the 10-Year Plan. Julian Harkness said debt would be a key issue for the Council during the 10-Year planning period.

Kevin Ross sought the Council's clarification for the graph on page 13. It was agreed that the graph show what the Council would spend on each activity, and that interest cost on debt would be shown in the Executive Summary.

Cr Laws suggested a pie graph showing how the average rate would be allocated to each activity and debt was required. It was agreed that it be left to staff to make the appropriate graphs that clearly showed ratepayers how their rates were allocated.

In response to a Councillor's query, Julian Harkness advised that asset sales were not budgeted and Directors' fees were included in the \$60,000 in the Investment activity paid to Wanganui District Council Holdings Ltd.

Cr Westwood advised that she would be voting against adoption of the Annual Plan 2011/12 as she was opposed to the differential targeted rate section under Section 16 Local Government Rating Act, on the capital value of each rating unit for disposal of stormwater.

Cr Laws advised that he had deliberately refrained from playing too active a role in the Council because the new Mayor, committee chair people and leadership required time to 'bed in'. He had devolved himself from playing an important role except for reasons he thought important. With the adoption of the Annual Plan he was going to re-engage. Cr Laws advised that he would vote against adoption of today's Annual Plan because at a time when this city and community was going through straiten economic times, the Council had imposed a rates rise, out of kilter with inflation and the ability of ratepayers to pay. He felt the Council had a cost plus mentality and had not looked at 'cutting its own cloth'. Cr Laws did not believe the Council had sufficiently considered the burden it was placing on its commercial community and farmers who were struggling to make ends meet. He said some suburbs would have a 9% to 10% rates rise taking into account the result of revaluation. The community was suffering and he felt the Council should be reducing its burden.

Cr McDouall believed that the Council's rates rise was in line with the construction rate of inflation and that the consumer price index was not relevant to the Council. He believed the District had previously been underfunded. He said transference of costs from the taxpayer to the ratepayer had contributed to the Council's costs. Cr McDouall believed the Council had trimmed its costs.

Cr Vinsen said over the past six years the average rate increase in the residential section was 4.4% and the debt had risen to \$93.8M.

Council's Resolution

Proposed by Mayor Main, seconded by Cr Stevens:

- 2.1 THAT with the additional changes tabled and changes agreed to today, the Council adopts the Annual Plan 2011/12.

CARRIED

Crs Laws and Westwood voted against.

ACTION: Stuart Hylton

Mayor Main thanked Councillors for their time spent in workshops, hearings and deliberations. She also thanked staff for their responses to requests for information.

The meeting closed at 2.07pm.

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CERTIFICATE OF CONFIRMATION OF MINUTES

The minutes of the meeting of the Wanganui District Council held on 21 June 2011 were confirmed as a true and correct record of that meeting at a meeting of the Wanganui District Council held on 13 July 2011.

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Annette Main
Mayor of Wanganui District

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Date

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